

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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ATO Guangzhou creates a roadmap to penetrate China's imported wine market

Report Categories:

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Report Highlights:

General Information:

With great support from the U.S. Consulate Guangzhou Consul General Brian Goldbeck and the Public Affairs Section (PAS) on October 25, ATO Guangzhou launched the Pearl River Delta American Wine Import Association (the Association). Since then, ATO Guangzhou has feverishly worked with PAS on engaging media and modern media outlets on a series of news reports, articles, and activities to strengthen awareness of U.S. wine in the China market. The buzz created from countless U.S. wine promotional activities (averaging one per week), constant media engagement including the use of messaging board, social networking, micro blogging and other forms of modern media combined were the building blocks behind to new distribution channels in place for U.S. wine in South China. South China is now the largest importing region for U.S. wine accounting for 43 percent of total imports to China in 2010. Thanks to the ATO's relentless efforts, the market grew by 40 percent in value totaling \$15 million in 2010.

Additionally, with ATO Guangzhou's encouragement, China Hotel, A Marriott Hotel opened a new wine cellar "California Swirl" exclusively featuring California wines on January 18, 2011. The opening of the cellar positions U.S. wine as a new player in South China's wine market. ATO Guangzhou assisted China Hotel's F&B staff in sourcing suitable wine by arranging meetings between 4 Association members and the hotel, trying to encourage California Swirl to carry more wine labels. Currently, the cellar offers 22 wine labels, several of them are represented by members of the Association including Guglielmo Winery, Guangzhou Red Blue Trading Company. ATO Guangzhou played a considerable role in persuading the Marriott hotel management that marketing U.S. wine would bring additional sales and prestige to their U.S. brand. California Swirl sales have been consistent ever since the cellar was opened in early 2011 selling out of a number of wines. And now China Hotel hosts monthly wine tastings where American Wine is featured exclusively. Though ATO Guangzhou is not allowed to report on California Swirl's wine sales as these are considered business confidential, we can provide these to U.S. government staff if needed.

In March 2011, ATO Guangzhou also arranged five meetings for Delicato Family Vineyard's senior marketing director and productive discussion has been concluded. More reporting on business matchmaking and outreach for California wineries is coming up this summer, including:

1. John Anthony Vineyards' visit to Guangzhou April 28-30
2. Meeting with Napa Valley Vintner's exporters delegation to Beijing, April 25-26
3. Metropolitan of Shanghai meeting on April 29
4. Fina Enterprises' visit to Guangzhou on May 6th
5. Leading a buyers' mission to California and Oregon states May 15-25
6. Receiving California Wine Institute trade delegation June 1

7. Visiting with Fuzhou importers/distributors on June 5
8. Quality Trading Partners Int'l, LLC's visit to South China in mid June.